

## Message Text

CONFIDENTIAL

PAGE 01 LIMA 00284 111749Z  
ACTION ARA-14

INFO OCT-01 ISO-00 EB-08 SS-15 SSO-00 NSCE-00 SP-02  
/040 W

-----118902 111806Z /50 42

O 111715Z JAN 78  
FM AMEMBASSY LIMA  
TO SECSTATE WASHDC IMMEDIATE 8226

CONFIDENTIAL LIMA 0284

E.O. 11652: GDS  
TAGS: EFIN, PE  
SUBJECT: EXIM AND THE FINANCIAL CRISIS

REF: LIMA 0048

1. THE THE OUTSET OF OUR MEETING ON JANUARY 10,  
FOREIGN MINISTER DE LA PUENTE HANDED ME A COPY OF  
A TELEX FROM EXIM TO THE BANCO INDUSTRIAL (A STATE  
BANK). THE TELEX READS AS FOLLOWS:  
QUOTE ALTHOUGH YOUR OFF DOES NOT EXPIRE UNTIL AUGUST  
31, 1978, IT SHOULD BE NOTED THAT EXIMBANK RESERVES  
THE RIGHT TO DENY ANY INDIVIDUAL CFF CREDIT REQUESTS.  
FOR THIS REASON, YOU SHOULD NOT COMMIT YOUR FINANCING  
UNTIL YOU HAVE RECEIVED EITHER EXIMBANK'S PRELIMINARY  
OR FINAL APPROVAL OF EACH CREDIT REQUEST.

BY MEANS OF THIS ADVICE WE WISH TO INFORM YOU THAT  
BECAUSE OF THE UNCERTAINTY OF THE AVAILABILITY OF  
FOREIGN EXCHANGE IN PERU FOR FUTURE DEBT PAYMENTS,  
EXIMBANK IS NOT PREPARED TO APPROVE ANY REQUESTS FROM  
YOUR BANKS FOR CREDITS UNDER YOUR CFF CREDIT LINE AT THIS  
TIME. WE WILL NOTIFY YOU WHEN WE ARE PREPARED TO CON-  
SIDER CREDIT REQUESTS. UNQUOTE.

2. DE LA PUENTE SAID HE WAS BRINGING THIS MESSAGE TO  
MY ATTENTION AT THE EXPRESS REQUEST OF THE PRESIDENT.

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IN THE FIRST PLACE, THE MINISTER NOTED THE TELEX WAS  
SCARCELY COURTEOUS. IN THE SECOND, HE FOUND IT DIFFICULT  
TO UNDERSTAND HOW THE USG COULD BE PROVIDING  
"MORAL SUPPORT" TO THE GOP IN THIS TIME OF GREAT DIFFICULTY  
WHILE AN OFFICIAL U.S. ENTITY SEEMED TO BE DOING  
THE CONTRARY. I TOLD DE LA PUENTE I WOULD REPORT HIS  
CONCERN TO WASHINGTON.

3. COMMENT: IT IS NOW QUITE APPARENT THAT EXIM IS MOVING AHEAD OF THE BANKS TO CUT OFF PERU'S CREDIT. WHAT IS MORE, EXIM IS CARRYING OUT THAT OPERATION IN THE MOST INSENSITIVE, HAMHANDED FASHION, AS WITNESS THIS PARTICULAR TELEX. IT IS THE KIND OF MESSAGE A DEADBEAT AT HOME GETS JUST BEFORE THE DEPARTMENT STORE TURNS THE COLLECTION AGENCY LOOSE ON HIM. WHY EXIM HAS CHOSEN TO LEAD THE RETREAT FROM PERU IS NOT CLEAR TO US HERE. BUT THE PROSPECTS FOR A SELF-FULFILLING PROPHECY IN WHICH THE MOVEMENT CATCHES ON AND PERU IS FORCED TO RE-SCHEDULE ARE ALL TOO OBVIOUS.

4. WHEN THIS MESSAGE AN THE OTHERS LIKE IT GET OUT HERE, AS THEY ARE BOUND TO DO, THE IMPROVEMENT WE HAVE BEEN PLEASE TO SEE IN US.-PERUVIAN RELATIONS IS LIKELY TO FADE RAPIDLY. I URGE THAT THE DEPARTMENT RAISE THE PROBLEM AT THE HIGHEST POSSIBLE LEVEL WITH EXIM. AT THE VERY LEAST, SOME ATTENTION SHOULD BE GIVEN TO AMELIORATING THE NASTY TONE THAT ENTITY HAS ADOPTED IN DEALING WITH PERU.

SHLAUDEMAN

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## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FINANCIAL CRISIS, FINANCIAL STABILITY  
**Control Number:** n/a  
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**Draft Date:** 11 jan 1978  
**Decapton Date:** 01 jan 1960  
**Decapton Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Document Number:** 1978LIMA00284  
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**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
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**SAS ID:** 3794568  
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**Status:** NATIVE  
**Subject:** EXIM AND THE FINANCIAL CRISIS  
**TAGS:** EFIN, PE, XMB  
**To:** STATE  
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**Review Markings:**  
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